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**PSC Approves Rate Relief and Expanded DSL Service for Qwest Customers**

The Public Service Commission (PSC) voted 4-0\* today to approve an order for Qwest that will affect all of the company's 260,000 Montana customers. A monthly decrease of \$4.72 is in store for 85% of Qwest residential customers with basic service. In some instances, the reduction could be as large as \$10.47 a month, and no residential customer with basic service will receive less than a \$2.00 a month reduction. Most Qwest business customers will see a monthly reduction of \$6.66; the largest business reductions being \$12.41 a month, with no business customer saving less than about \$4.00 month. The variation in reductions is the result of the current patchwork of charges and rates that the order is designed to make less cumbersome.

Known as an Alternative Form of Regulation or AFOR, the new plan deletes "zone charges" that can currently top \$5.00 a month for suburban Qwest customers. It also eliminates the \$2.72 "extended area service" charge which 85% of Qwest customers are now required to pay. The rate reduction changes go into affect May 1, 2009 and will be in effect for 5 years. In addition to rate reductions of \$16 million annually, Qwest also agreed to expand high-speed Internet into 27 currently underserved areas in the state.

"While it has been a long slog to reach a conclusion, this is a great accomplishment and I appreciate everyone's work on it," commented PSC Chair Greg Jergeson. "The positive aspects of this order, for both rural and urban customers, are enormous. The vote we took today will result in real rate relief to Qwest customers and goes a long way in closing the digital divide for many Montanans. I'm proud to serve on a Commission that is able to provide some good economic news for Montana customers," he concluded.

The order is the result of more than 5 years of legal wrangling, including an appearance before the Montana Supreme Court. As part of the agreement, Qwest must keep its regulated service prices below a rate cap but can offer a mix of other data and telephone services at non-regulated prices. Qwest also agreed to extend digital subscriber lines (DSL) to the following locations within the next three years: Amsterdam, Boulder, Bridger, Canyon Ferry, Cascade, Clancy, Clyde Park, Cooke City, Darby, Dutton, East Glacier Park, Forsyth, Fromberg, Gardiner, Joliet, Opportunity, Park City, Pray, Roberts, Saint Mary, Townsend, Ulm, Victor, Warm Springs, West Glacier, Wilsall, and Wolf Creek.

The agreement also resolves the PSC's 2005 investigation of the company's use of federal Universal Service Funds, and a 2006 complaint regarding alleged unjust rates. Additional information related to the AFOR can be found on the PSC site, [www.psc.mt.gov](http://www.psc.mt.gov), under Docket D2008.1.6.

Made up of 5 elected commissioners, the PSC works to ensure that Montanans receive safe and reliable service from regulated public utilities while paying reasonable rates. Utilities regulated by the PSC generally include private investor-owned natural gas, electric, telephone, water, and sewer companies. In addition, the PSC regulates certain motor carriers, and oversees natural gas pipeline safety and intrastate railroad safety.

*\*Commissioner Toole recused himself.*